AUDIT CHECKLIST

All public charter schools (and 501(c)(3) organizations) must annually contract with an independent CPA firm to audit their financial records and fiscal procedures. The audit will be conducted during the summer and will focus primarily on your just-completed fiscal year – July 1 through June 30. Normally, audit personnel will spend one or two days reviewing your school records, usually at the place where your records are located. The audit will go smoothly and quickly if your business personnel are fully prepared when they meet with their auditor. The following list is not necessarily the complete audit checklist—it is recommended that school business staff review this list with their auditors prior to the audit.

FOR NEW CHARTER SCHOOLS:

- ✓ Copy of approval letter from the chartering entity (State Board or District School Board)
- ✓ Articles of Incorporation
- \checkmark 501(c)(3) filing form and IRS acceptance letter

GENERAL:

- ✓ Copy of QuickBooks file (or other accounting software file) on disk
- √ Attendance records/roll book (SIS/S3 ADM)
- ✓ Documentation for students absent more than 10 consecutive days
- ✓ Copy of the school calendar
- ✓ List of board members, their positions and addresses
- ✓ Minutes of board meetings
- ✓ Copies of your school's personnel policies and fiscal procedure policies
- ✓ Copies of grants, contracts, or agreements for the fiscal year
- ✓ Reports to the USOE on enrollment/reimbursement requests
- ✓ Schedule of restricted funds endowments, scholarships, building, other
- ✓ List of management personnel, their positions and salaries
- ✓ List of contributors who have given over \$1,000 during past five years.
- Donor restrictions on contributions received during the year
- ✓ List of non-cash donations including donor and value estimate
- Revenue and expense budget for the fiscal year
- ✓ Copies of federal 941 reports
- ✓ Any legal issues that involve your school
- ✓ Any related-party transactions, e.g., school business arrangements with family of a Board member
- ✓ Documentation for insurance coverages, e.g., liability, property, health
- ✓ Documentation for employee retirement programs

CASH:

- ✓ Copy of June 30 and July 31 bank reconciliations
- ✓ Copy of June 30 and July 31 bank statements
- ✓ Access to all other bank statements and reconciliations for the year

INVESTMENTS:

- ✓ Documentation of the value of investments (stock, bonds, etc.) held at June 30
- ✓ Documentation for investments donated, purchased or sold during the year
- ✓ Copy of investment account statements

ACCOUNTS RECEIVABLE/REVENUE:

- ✓ List of all parties that owe money to your school (uncollected revenue) as of June 30 plus documentation of receipts since June 30 (until the time of the audit)
- ✓ Access to all deposits, receipts, and related documentation
- ✓ List of tuitions received in advance as of June 30 for the next school year
- ✓ List of revenues for the year by source (federal, state, and local)
- √ Final state allotment memo (or most recent)
- ✓ Award letters for all grants received during fiscal year

FIXED ASSETS:

- ✓ List of equipment/inventory of physical property
- ✓ List of equipment purchased during the fiscal year with documentation
- ✓ List of equipment disposed of or sold during fiscal year with documentation for the date disposed/sold and amount of proceeds, if any
- ✓ Copies of any lease agreements

ACCOUNTS PAYABLE:

- ✓ List of all bills your school owed as of June 30
- ✓ List of outstanding purchase orders
- ✓ Access to all paid and unpaid invoices and other disbursements

ACCRUED PAYROLL:

- Detail/documentation for any payroll paid after June 30 for work completed by June
 30
- ✓ Access to all payroll records
- ✓ Status of accrued vacation or sick leave existing at June 30 and the school's policy on accrued leave when an employee ends their employment with the school

LONG-TERM DEBT:

- ✓ Loan documentation
- ✓ Amortization schedules
- √ Year-end (most recent) statements concerning the debt/loan

Once the onsite review is completed your auditors will go back to their office to prepare reports. Invariably in this process, your auditor will have additional questions so your school's business personnel need to be available for a few days to a few weeks in order to respond quickly with clarifications.